

HOA Information Office and Resource Center 1560 Broadway, Ste 925 Denver, CO 80202

http://www.dora.state.co.us/real-estate/

<u>UNDERSTANDING HOA</u> <u>MEETINGS IN COLORADO</u>



A homeowners' association ("HOA") is a corporation that consists of members, officers and a board of directors. The official business of the HOA is conducted in meetings of both owners and the executive board. Both owners in an HOA and board members should understand how HOA meetings operate and the legal requirements in Colorado.

It is important to understand the different types of meetings and know what makes each meeting unique. There are two primary types of meetings in an HOA: meetings of the owners (called "owners meetings" or "annual meetings") and meetings of the board of directors ("board meetings"). These distinctions are significant because different rules apply to each meeting.

What is an owners meeting? The Colorado Common Interest Ownership Act ("CCIOA"") provides that a meeting of the unit owners shall occur at least once a year. Generally, consideration of matters that require owner votes are discussed such as election of board members, officers, amendment of governing documents, and other matters at this meetings. Owner's meetings may also be referred to as annual meetings.



What is a board meeting and can I participate? The board meetings are for the board and the owners meetings are for the owners. The discussion of official business for the association is done in a board meeting by the elected board, its officers, and directors. All board meetings are open by law and an owner may attend. CCIOA provides that owners, or their

designated representatives, shall have an opportunity to speak at a board meeting on an issue prior to the board voting on that issue, however, decisions are made by the board not by the homeowners. The board may place reasonable time restrictions on owners speaking during the meeting.



What is executive session? Executive or closed-door sessions are held by the board in private to address certain matters. The board is only allowed to meet privately for specific purposes, enumerated in statute, including; consultation with legal counsel; privacy matters; investigative matters concerning criminal misconduct; and matters pertaining to employees of the association. It is required that matters discussed in the executive session be documented and included in the minutes.

When else can the owners meet and vote on certain matters? Special meetings offer another forum where owners can take action. The meetings must be limited specifically to the issues outlined in the notice. A request for a special meeting may be by the president, a majority of the board, or the owners having twenty percent of the votes in the association (or by a lower number prescribed in an association's

governing documents). Also within ninety (90) days of the board adopting a budget they are required to have a meeting of the unit owners to consider the budget. Unless provided otherwise in the governing documents, homeowners don't have to ratify a budget, but are given the opportunity to veto the budget.



Can the board of directors discuss association matters or take action over email? There are differing opinions on whether a board should take action without a meeting and via email. There is no requirement that board members take action in a formal meeting setting. Decisions can be made outside of a meeting as long as it doesn't conflict with the law or the governing documents.. However, boards should be cautious to engage in board business in the absence of a meeting. Homeowners should also be sympathetic to the fact that some urgent matters may need to be dealt with in the absence of a meeting.

Can I receive a copy of an agenda for the meetings? The law requires that agendas for board and owners meetings be reasonably available for examination by the unit owners.



Can I vote by proxy at an owners meeting? Owners can vote by proxy by signing an appointment form, either personally or by the member's attorney-infact. An owner must provide notice to revoke a proxy and proxies are only valid for eleven (11) months after they are given.

How are homeowners to be provided notice of meetings? Notice for owners' meetings is to be hand delivered or sent prepaid U.S. mail to the mailing address of each unit or other address provided by the unit owner. Notice for owners' meetings shall also be posted in a conspicuous place on the HOA property. HOA's are encouraged to provide all notices and agendas for owners and board meetings in electronic form as well. There is no requirement that the board provide notice to the homeowners of board meetings, unless provided in the governing documents.

If your HOA is in violation of provisions in CCIOA or the Colorado Nonprofit Corporation Act, you may file a complaint with the Division of Real Estate.

There are several ways to submit complaints however, we prefer that complainants use the on the online complaint submission form located at:

http://www.dora.state.co.us/realestate/hoa.htm. You may also send an email

to: <u>HOA.registration@dora.state.co.us</u>; by phone at: 303-894-2992; or by mail to the following address:

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